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September 6, 2001

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**BY HAND**

Mark Polutta  
United States Patent and Trademark Office  
Crystal Plaza 3, Room 3-D61  
2021 South Clark Place  
Arlington, VA 22202

Re: Request for Redacted Publication in U.S. Patent  
Application S.N. 09/836,281

Dear Mr. Polutta:

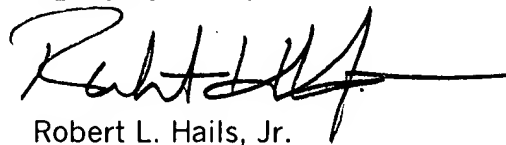
Following up on our conversations from early September regarding the above-referenced application, I am providing you with a courtesy copy of our request for redacted publication. This submission is being filed today. We were finally able to overcome the technical hurdles associated with electronic filing this morning.

As we discussed, this request can only partially comply with the requirements of Rule 217. Since our application was filed more than sixteen months after the date of the earliest foreign-filing to which priority has been claimed, we cannot meet the timing requirements of the rule. Under our read of the statute, however, we believe that the Director has discretion to redact publication of applications even when the sixteen month window is not met. Thus, we have petitioned to suspend the timing requirements of Rule 217 (a) and to have publication of this application redacted.

Please feel free to contact me regarding this submission at (202) 220-4235 if you desire any additional information regarding this submission.

Sincerely yours,

KENYON & KENYON

  
Robert L. Hails, Jr.

RLHJr:bab

MRTD 9/18/2001 (copy)

PATENT  
Att'y Dkt.: 11927/46001

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

# 136

In re application of:

RIESS, et al.

Serial No.: 09/836,281

Filed: April 18, 2001

For: RELIABLE SYMBOLS AS A MEANS OF  
IMPROVING THE PERFORMANCE OF  
INFORMATION TRANSMISSION  
SYSTEMS

RECEIVED

SEP 18 2001

OFFICE OF PETITIONS  
DEPUTY A/C PATENTS

**PETITION FOR PARTIAL SUSPENSION OF RULE 217 (A)**

Commissioner for Patents and Trademarks  
**BOX PG-PUB**  
Washington, D.C. 20231

Sir:

Applicants filed herewith a request for publication of a redacted copy of the above-captioned application. The request does not fully comply with 37 CFR 1.217 (a) because the request was not made within 16 months of the earliest effective date to which priority is claimed. However, because Applicants had no opportunity to meet this timing requirement and because publication of the application in full could damage the owner of this application, Applicants respectfully petition for suspension of this portion of the rule.

**BACKGROUND**

This application essentially is a continuation-in-part application of a pair of applications filed initially in the United Kingdom and later filed as PCT applications.<sup>1</sup> The first UK application was filed in November 4, 1999 and has since published as an application GB 2 356 112. The second UK application was filed July 10, 2000; it should

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<sup>1</sup> Copies of the four applications are provided in Appendices A-D of Applicants' request for redacted publication (filed herewith).

publish in January 2002. The two UK applications also were filed as PCT applications on July 10, 2000, designating the United States. The PCT applications also should publish in January 2002. The PCT applications will enter the national phase in the United States in either February or December 2002. The present application claims priority to the two PCT applications and, therefore, some claims may benefit from an effective filing date as early as November 4, 1999.

The present application contains new matter over the collective disclosure of the two UK applications and the two PCT applications. This new matter essentially represents results from research and development efforts conducted by the inventors after the filing of those four earlier applications. Some of the new matter was developed throughout the early months of 2001, mere weeks before filing of this application. In Appendix E of the accompanying request, Applicants have provided a copy of the application identifying the new matter in brackets. Applicants, of course, seek to have this new matter redacted when the Office publishes the present application.

Verticalband LTD is owner of the two UK applications, the two PCT applications and the present application. Verticalband is a small company of approximately 15 employees. It has no products and no revenue. Beginning immediately after it filed the present application, Verticalband started an aggressive marketing campaign designed to license the technology represented in this application and to secure additional investment to commercialize the new matter described in this application. Verticalband intentionally delayed its campaign until after the present application was filed because it believed that the new matter added by this application was the most robust development of its technology then available to it and that the new matter is more commercially significant than the disclosure provided in the four earlier-filed applications.

Verticalband is extremely sensitive to the disclosure of its proprietary technology and desires to maintain it confidential for as long as permissible. It has taken steps to maintain the confidentiality of its technology. For example, it uses nondisclosure agreements with potential licensees and investors prior to disclosing any substantive information regarding its technology. Further, Verticalband has structured its discussions with potential licensees or investors to delay disclosure of its technology until after the licensee or inventor shows more than just a passing interest in licensing r

investment. At initial meetings with prospective licensees or investors, Verticalband's disclosures are limited to an explanation of the benefits of its technology without discussing how the technology operates. Thereafter, if the potential licensee or investor shows substantive interest in a financial transaction, Verticalband may disclose how the technology operates.

Premature publication of this application by the Office will likely frustrate Verticalband's efforts to control its dissemination of technology and to secure financial investment from others.

#### **PETITION FOR SUSPENSION OF RULE 217(A)**

The Director retains discretion to publish redacted copies of applications even after the sixteen month period defined in 35 U.S.C. § 122 (b)(2)(B)(v) expires. The statute provides:

**§ 122 (b)(1)(A)** Subject to paragraph (2), each application for patent shall be published, in accordance with procedures determined by the Director, promptly after the expiration of 18 months from the earliest filing date for which a benefit it sought...

**§ 122 (b)(2)(B)(v)** If an applicant has filed applications in one or more foreign countries and the description of the invention in such foreign filed applications is less extensive than the [domestic] application, the application may submit a redacted copy of the application... The Director may only publish the redacted copy unless the redacted copy is not received within 16 months after the earliest effective filing date for which benefit is sought...

Here, the statutory "may only" language in § 122 (b)(2)(B)(v) appears to establish a minimum standard of conduct for the Director (e.g., the Director "must" publish the redacted copy if the redacted copy is received within 16 months). The statute permits the Director to publish redacted applications in other circumstances, provided the application meets the other conditions of § 122 (b)(2)(B)(v). Those other conditions are met in this case -- the present application contains a more extensive disclosure than is provided in earlier-filed foreign applications to which the present application claims priority. Therefore, the Director is statutorily authorized to publish a redacted copy of this application.

Rule 217 states that the Office will publish an application as provided in Rule 215 unless an applicant files a redacted copy of the application within sixteen months after the earliest filing date for which a benefit is sought. Applicants request suspension of this requirement because, in this case, compliance is an impossibility. Applicants had no opportunity to meet the timing requirements mandated by Rule 217 -- this application did not exist when the sixteen month window closed. Applicants' earliest-filed application is the published UK application, now GB 2 356 112. Because it was filed November 4, 1999, the redacted application would have to have been submitted by February 4 2001, over two months before the filing date of this application. Because the Applicants had no meaningful opportunity to meet the procedural requirements of Rule 217, they should be suspended in the interests of justice.

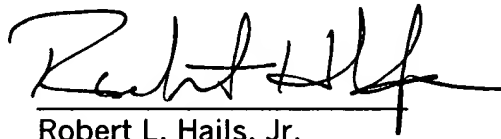
Interestingly, because the PCT applications themselves will enter the national phase in early or late 2002, the Office ordinarily would not publish the disclosure of the earlier-filed foreign applications (the "old matter") until sometime in 2002. Applicants submit that, if the Office were to publish the present application in full, the Office would publish the old matter earlier than otherwise provided for by rule and would publish new matter which, if filed in an entirely separate application, might not have been published at all. This works an injustice to the Applicants; it penalizes them for filing in the United States with new matter and claiming priority to their earlier foreign-filed work. Section 122 (b)(2)(B)(v) appears to have been created specifically to cure this injustice. The Director may prevent Applicants from being so penalized by accepting their request for redacted publication.

## **CONCLUSION**

The Director retains discretion to publish this application in redacted form, notwithstanding the expiration of the 16 month period defined in 35 U.S.C. § 122 (b)(2)(B)(v). Because the new matter provided in this application is commercially significant to the application owner and because the Applicants had no meaningful opportunity to comply with the timing requirements of 37 CFR § 217(a), Applicants respectfully request that these timing requirements be suspended.

Respectfully submitted,

Date: September 18, 2001



Robert L. Hails, Jr.  
Registration No. 39,702

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